

Church Community Services

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Counselor

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September 20, 2004


Dear Ms. Johnson and Mr. Dzwonar,

I am writing to protest the huge deposits charged by NIPSCO in Northern Indiana. My staff daily interacts with families in our area who are unable to establish gas service because the deposit requirements are impossible to meet on their meager incomes. I am including three client stories to illustrate this point.

Secondly, I encourage you to schedule a hearing in the northern part of the state so that the commissioners can hear directly from the persons and agencies that are affected by these deposits. Obviously the poor do not have the resources to get to Indianapolis for a hearing. It is also a burden for those of us working in social services to take a day away from our clients and make a six-hour round-trip. Several of us will be coming to the hearing scheduled for September 22nd. Many others will not be able to attend.

Thank you for considering the gravity of this situation and the need for a hearing in northern Indiana.

Sincerely,



Jeni Hiatt Umble
Executive Director

Client stories. All names have been changed.

* * *

A woman I will refer to as Ann got behind on her gas bill during the spring of 2003. At that time there were three adults and two children in the household. Ann paid \$200 on the overdue bill and had \$100 remaining to pay. The following week her gas was turned off.

Ann called NIPSCO the next day and was told that she needed to pay a \$300 deposit to be re-connected. Ann was not able to come up with the money and so the gas remained off.

In November of 2003, Ann called to verify the deposit amount and was told that her deposit was now \$700. She was not aware that the previously quoted deposit amount of \$300 was only good until August.

Some friends found out about Ann's situation and alerted her pastor. He then contacted NIPSCO and the office of Chris Chocola on Ann's behalf. No one was willing or able to reduce the amount of the deposit.

Ann and her family have heat today only because her church family came up with the \$700 needed to turn her gas on. Ann is embarrassed, but grateful.

* * *

On Tuesday, September 14th, Susan came into our agency asking for help with a NIPSCO deposit of \$545. Susan's daughter had been killed two months ago in a car accident, leaving Susan with custody of her four children. Susan is also caring for an additional four grandchildren. There are currently eight children in the household, ranging in age from 5-12.

Susan receives \$1100/month in Social Security. Her daughter's fiancé—who shares custody of the children—makes \$1300/month. They pay \$595/month in rent.

Susan believes that she can cover the children's basic expenses with the help of food stamps and Medicaid. But the deposit for the gas utility was more than she could manage.

Agency staff made phone calls to area churches on Susan's behalf. Five area churches agreed to assist with the deposit. Susan was able to raise the remaining \$95.

Susan brought two of her grandchildren with her this morning (Monday, September 20, 2004) to say "thank you" for the utility assistance.

* * *

On September 15, 2004, a 40-year-old single mother of three children was referred to our agency from Victim's Assistance. Kathy is a victim of domestic violence. Her ex-husband left the state without giving her any financial assistance with a NIPSCO bill of \$904. In addition to the old bill, the client is now expected to pay a deposit of \$445 before the utilities will be connected at her new residence.

As of this writing, the township trustee has agreed to assist with \$200 of the old bill. Wrap-around and a local congregation have pledged an additional \$250. That leaves \$899 remaining.

Kathy works full-time at a fast-food restaurant, making \$5.50 an hour.

* * *

These stories illustrate two difficulties with high utility deposits:

- 1) In the first place, low-income households simply cannot come up with so much money all at once. Charging an estimated 1/3 of the annual bill up front is an injustice to persons who can barely afford the monthly bill.
- 2) Secondly, the entire community loses when churches and social service agencies pool scarce resources in order to pay these deposits. Funds which are also needed to assist the poor with rent, prescriptions, food, and other necessities are unavailable when they are diverted to NIPSCO for deposit assistance.

Difficult choices are faced by agencies such as Church Community Services, Inc. Our current monthly budget for rent/utility assistance is \$1800. The dilemma we face is whether to assist 18 persons with a small portion of their bills (\$100) or assist only 3-5 persons with the entire amount.